

Baldwin Park Operable Unit

Don Vanderkar - Co-Chairperson

Steve Richtel - Co-Chairperson

December 16, 1997

Mr. Mike Berlien
General Manager
La Puente Valley County Water District
15825 E. Main Street
La Puente, CA 91744

Subject: Pilot Treatability Study - Use of La Puente Valley County Water District Facilities

Dear Mr. Berlien:

This letter follows our two recent meetings which involved very positive discussions regarding the subject project. This letter is written in response to your request to formalize our discussions and provide you and your Board of Directors with information regarding the BPOU Steering Committee's proposal to construct and operate a pilot perchlorate ion treatment system at your well site on Puente Avenue.

Under US EPA oversight, the Steering Committee is currently conducting a small-scale (approximately 30 gallons per minute) pilot study at Aerojet's Sacramento facility to evaluate the treatability of groundwater containing both perchlorate and nitrate. This study, designated as Phase I Treatability Study, is specifically evaluating the use of microbes to treat and remove perchlorate from concentrations in the 40 to 60 ppb range to non-detect at 4 ppb. Preliminary data indicate that the process is effective.

The next phase (Phase II) of the perchlorate treatability assessment required by EPA and agreed to by the Steering Committee is to study the effectiveness of the process on a larger scale (perhaps 500 to 1,000 gallons per minute) on a San Gabriel Basin groundwater well containing perchlorate and nitrate typical of the water ultimately to be pumped and treated as part of the BPOU Superfund project. Thus the interest in wells owned by your district.

Phase I is expected to be concluded within the next two months with a final report issued in the spring of 1998. The EPA approved schedule requires the committee to move immediately to implement Phase II. We therefore are seeking to reach agreement with the Water District to enter your property to commence activities in February or March 1998.

The Steering Committee would, at its expense, design, construct (through use of vendors and contractors), and operate the pilot treatment system. We would coordinate all activities with Water District staff and engineers and would train Water District staff regarding plant operations. We would expect to reimburse the District for reasonable expenses for District oversight and coordination.

The project would require approval of the Regional Water Quality Control Board (for discharge of both treated and untreated water to Walnut Creek until such time as the facility is fully stabilized and tested to assure potable water suitable for customer service), the California Department of Health Services (DHS),

and the US EPA. The Steering Committee would coordinate with and obtain approval of US EPA. The Committee would seek District support and coordination in working with DHS and the Regional Board to obtain the approval of these regulatory agencies.

The pilot system would be installed so that water from one (or possibly more than one) well would first pass through existing stripping towers for removal of volatile organic compounds. The water then would flow through the pilot system, a filtration and disinfection system (if required), a storage facility, and then be discharged either to Walnut Creek or into the system as appropriate. Sampling ports and monitoring devices would be installed at various points in the pilot system for data collection purposes.

As we anticipate that much of the water would be treated and made available to your customers during the test period and to avoid separate metering expenses, the Committee requests that the District fund the cost of power.

The preliminary schedule for this project calls for EPA and DHS approval in the spring of 1998, design to be completed in the late spring of 1998, construction to occur in the summer of 1998, and pilot testing and reporting completed before the end of 1998. A more detailed schedule will be developed after the full results of the Phase I study are available and after the scope of Phase II is better defined.

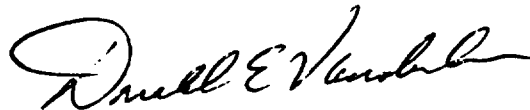
The Steering Committee is currently working with Three Valleys Municipal Water District to develop an agreement which would provide for U.S. Bureau of Reclamation funding for 25% of treatability study costs. Thus, the facilities installed at your site will probably be owned by Three Valleys. Final disposition of the facilities will depend on regulatory actions at the end of Phase II.

Enclosed, to provide you with more detailed information about the general process we seek to implement at your site, is a copy of the work plan for our Phase I study.

The Steering Committee trusts that this letter provides the project overview you requested. Committee members and consultants are preparing for our upcoming meeting and are developing language for an agreement for the project. Committee members would be glad to attend a Board of Directors meeting to discuss the project with the Board.

We very much appreciate your cooperation and look forward to our joint effort on this project.

Sincerely,



Donald E. Vanderkar, Co-Chairperson
Baldwin Park Operable Unit Steering Committee

cc: BPOUSC
Wayne Praskins, U.S. EPA
Hank Yacoub, RWQCB
Gary Yamamoto, DHS